



# Newport Beach Civic Center

Parking Structure Design and Construction

GMP #2

September 14, 2010



## Parking Structure Design Assist/Build Process

- Spring 2010, Value engineering process identifies potential savings with Design Assist /Build process
- 10 Contractors were prequalified
- Proposals based upon bridging documents by BCJ
- June 21, 2010 7 proposals were received.
- Upon scoring, the top 3 firms were invited to meet with the design team (Bomel, McCarthy, & ARB) to explore alternative construction and cost saving proposals.
- The bridging documents were revised to include various alternatives and cost saving proposals.
- The top 3 firms were invited to bid on the project based upon the revised bridging documents



# Parking Structure Bid Results

Prequalified Design Assist / Build Contractors	Amount
Bomel Construction	\$6,367,000
McCarthy Builders	\$6,713,000
ARB Structures	\$6,894,361
Preliminary Estimate – April 27, 2010	\$8,018,500
Conceptual Estimate – Nov 9, 2009	\$11,021,000



# Good News!

- **Parking Structure.** The lowest bid exceeded our April 2010 estimates by almost \$2 million (about 20%) and by almost \$5 million from our conceptual estimates at the start of the project.
- **Mass Excavation and Shoring Wall.** This contract, let in April 2010, secured savings of almost \$1 million (about 12%) from initial estimates.
- **Future savings?** The downward trend of construction prices in the current economy seems to be continuing.



# What's next

- November 4, 2010, Target for plan completion and building permit issuance.
- November/December, Bidding for the various trade packages.
- January 23, 2011, Final construction GMP amendment to be considered by City Council.
- February 2011, Begin construction of City Hall office building, Council Chambers, Community Room, Library addition, Central Park and North (Dog) Park





# Newport Beach Civic Center

Construction Manager @ Risk Contract  
September 14, 2010



# What is it?

- An alternative project delivery method that that's the place of traditional construction.
- Construction Manager ,CM, hired on a QBS process, works on a time and materials basis.
- Separate Bid packages are prepared for the various trades (HVAC, Electrical, Plumbing, roofing, etc)
- CM prepares a Guaranteed Maximum Price (GMP) based upon the collective bids and incidental costs.
- City Council accepts the GMP and CM constructs the project. If costs over GMP, CM is responsible. If under GMP, the City shares in the savings.





# CM@R Contract with C.W.Driver

Four components:

- Basic Services/General Conditions: All field office and personnel costs to manage the various subcontractors. Paid on a time and materials basis for the entire length of the project.
- GMP: The actual cost of the work. All Bids for various trades and incidental work
- Direct Expenses: Insurance, bonding, additional services
- Construction Management Fee: Markups, overhead, & Profit (3.25%)



# Phased GMP

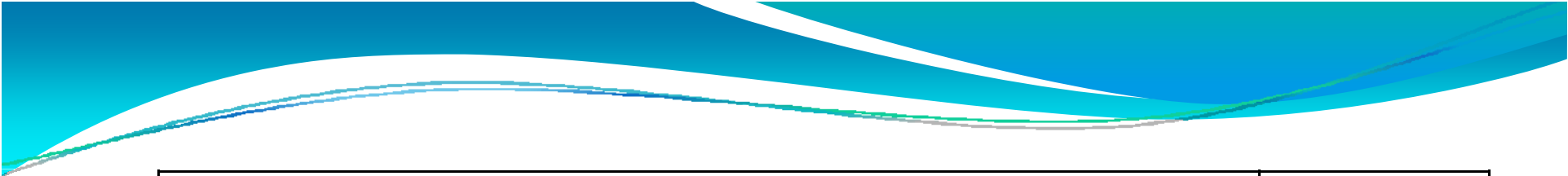
To expedite the project, we are pursuing a phased project. There are three proposed phases. As we move forward, better costs will be known and City Council can elect to include alternatives, add or delete portions of the project :

- Mass Excavation & Shoring Wall Construction
- Design Assist/Build Parking Structure
- City Hall Office building, Library Expansion, North Park including Dog Park, Central Park Wetlands and Public Art.



# More about GMPs

- If CW Driver exceeds the GMP, they absorb the overrun.
- The GMP includes a contingency for CW Driver's use. Types of costs in this contingency include missing items of work not covered by the trade contracts or incidental items. Does not include requested changes by the City or unforeseen problems (soil conditions) or problems with the plans. The city will have a separate contingency outside of the GMP.
- Any savings in the project (under GMP) is shared with CW Driver as an incentive. 75% City/ 25% CW Driver
- Construction Management Fee paid only on work completed



<b>Construction Costs to date</b>	<b>Amount</b>
Basic Services (for all phases)	\$ 7,169,255
GMP #1 -Mass Excavation & Shoring Const. (including 8% contingency)	6,726,574
Direct Expenses (GMP #1)	265,412
Construction Management Fee (GMP#1)	456,133
Subtotal	\$7,448,119
City's Contingency GMP #1 (10%)	673,000
GMP #1, Subtotal	\$8,121,119
GMP #2 Parking Structure Design Assist/Build (including 5% cont.)	\$7,057,636
Direct Expenses (GMP#2)	137,757
Construction Management Fee (GMP#2)	231,460
Subtotal	\$7,426,853
City's Contingency GMP #2 (5%)	350,000
GMP#2, Subtotal	\$7,776,853
Project Total to date	\$23,067,227